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DEPARTMENT OF COMMERCE

International Trade Administration

[A-791-824]

Acetone from the Republic of South Africa: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that imports of acetone from the Republic of South Africa (South Africa) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2018 through December 31, 2018. For information on the estimated dumping margins of sales at LTFV, *see* the “Final Determination” section of this notice.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Charlotte Baskin-Gerwitz, AD/CVD

Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4880.

SUPPLEMENTARY INFORMATION:

Background

This final determination is made in accordance with section 735 of the Tariff Act of 1930, as amended (the Act). On September 24, 2019, Commerce published the *Preliminary Determination* of this antidumping duty (AD) investigation, in which we also postponed the final

determination to February 6, 2020.¹ The petitioner in this investigation is the Coalition for Acetone Fair Trade (the petitioner).² The mandatory respondent in this investigation is Sasol South Africa Limited (SSA). Shortly prior to publication of the *Preliminary Determination*, on September 23, 2019, SSA informed Commerce that it would not participate in Commerce's planned verifications of SSA's questionnaire responses.³ A complete summary of the events that occurred since publication of the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.⁴ The Issues and Decision Memorandum is a public document and is available electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). Access is available to registered users at <http://access.trade.gov>, and to all parties in the Central Records Unit, room B-8024 of Commerce's main building. In addition, a complete version of the Issues and Decision Memorandum can be accessed at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is acetone from South Africa. Commerce did not receive any scope comments and has not updated the scope of the investigation since the

¹ See *Acetone from the Republic of South Africa: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 84 FR 49984 (September 24, 2019) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² The members of the Coalition for Acetone Fair Trade are AdvanSix Inc., Altivia Petrochemicals, LLC, and Olin Corporation.

³ See SSA's Letter, "Acetone from South Africa: Notification Regarding Verification Participation," dated September 23, 2019.

⁴ See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Antidumping Duty Investigation of Acetone from the Republic of South Africa," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Preliminary Determination. For a complete description of the scope of this investigation, *see* Appendix I to this notice.

Analysis of Comments Received

The issues raised in the case and rebuttal briefs submitted by interested parties in this investigation are discussed in the Issues and Decision Memorandum. For a list of the issues raised by parties and responded to by Commerce in the Issues and Decision Memorandum, *see* Appendix II to this notice.

Verification

Because SSA stated prior to the *Preliminary Determination* that it would not participate in verification, we did not conduct a verification of SSA's information.

Use of Adverse Facts Available (AFA)

In making this final determination, Commerce relied on facts available. As discussed in the Issues and Decision Memorandum,⁵ we determine that, because SSA withdrew its participation in verification, SSA significantly impeded the investigation, submitted information that could not be verified, and failed to cooperate by not acting to the best of its ability in responding to Commerce's requests for information. Therefore, we are drawing adverse inferences in selecting from among the facts otherwise available.⁶ For further information, *see* the "Use of Facts Otherwise Available and Adverse Inferences" section in the Issues and Decision Memorandum.

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our application of facts available with an adverse inference to SSA, we revised the margin calculation for SSA since the

⁵ *See* Issues and Decision Memorandum at 2-9.

⁶ *See* sections 776(a) and (b) of the Act.

Preliminary Determination. These changes are discussed in the Issues and Decision Memorandum.

All-Others Rate

Sections 735(c)(1)(B)(i)(II) and 735(c)(5)(A) of the Act provide that Commerce shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act. However, when the estimated weighted-average dumping margins for all exporters and producers individually investigated are zero or *de minimis*, or determined under section 776 of the Act, section 735(c)(5)(B) of the Act provides that Commerce shall use any reasonable method to establish the all-others rate, including averaging the estimated weighted-average dumping margins for the exporters and producers individually investigated.

In this investigation, Commerce based SSA's rate entirely on facts otherwise available. Accordingly, we will use any reasonable method to establish the estimated all-others rate. Commerce's practice in such situations is to base the all-others rate on a simple average of the petition rates.⁷ Therefore, as the all-others rate we are assigning a simple average of the margins

⁷ See, e.g., *Notice of Preliminary Determinations of Sales at Less Than Fair Value: Sodium Nitrite from the Federal Republic of Germany*, 73 FR 21909, 21912 (April 23, 2008), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Sodium Nitrite from the Federal Republic of Germany*, 73 FR 38986, 38987 (July 8, 2008), and accompanying Issues and Decision Memorandum at Comment 2; see also *Notice of Final Determination of Sales at Less Than Fair Value: Raw Flexible Magnets from Taiwan*, 73 FR 39673, 39674 (July 10, 2008); *Steel Threaded Rod from Thailand: Preliminary Determination of Sales at Less Than Fair Value and Affirmative Preliminary Determination of Critical Circumstances*, 78 FR 79670, 79671 (December 31, 2013), unchanged in *Steel Threaded Rod from Thailand: Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances*, 79 FR 14476, 14477 (March 14, 2014); and *Polyethylene Terephthalate Resin from Pakistan: Final Determination of Sales at Less Than Fair Value*, 83 FR 48281, 48282 (September 24, 2018).

alleged in the petition, which is 314.51 percent. For a full description of the methodology underlying Commerce's analysis, *see* the Issues and Decision Memorandum.

Final Determination

Pursuant to section 735 of the Act, Commerce determines the estimated dumping margins to be:

Exporter or Producer	Estimated Dumping Margin (percent)
Sasol South Africa Limited	414.92
All Others	314.51

Disclosure

Because Commerce applied AFA to SSA, and the AFA rate is based solely on the petition, there are no calculations to disclose for this final determination pursuant to 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of acetone from South Africa, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after September 24, 2019, the date of publication of the *Preliminary Determination* in the *Federal Register*.

Pursuant to section 735(c)(1) of the Act and 19 CFR 351.210(d), Commerce will instruct CBP to require cash deposits equal to the estimated dumping margins indicated in the table above as follows: (1) the cash deposit rate for SSA will be equal to the estimated dumping margin determined in this final determination; (2) if the exporter is not a respondent identified

above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be 314.51 percent, the all-others estimated weighted-average dumping margin. These suspension of liquidation and cash deposit instructions will remain in effect until further notice.

International Trade Commission Notification (ITC)

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of acetone from South Africa no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an AD order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

Notification Regarding Administrative Protective Orders

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return/destruction of APO materials or conversion to judicial protective order is hereby

requested. Failure to comply with the regulations and the terms of an APO is violation subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: February 6, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is all grades of liquid or aqueous acetone. Acetone is also known under the International Union of Pure and Applied Chemistry (IUPAC) name propan-2-one. In addition to the IUPAC name, acetone is also referred to as β-ketopropane (or beta-ketopropane), ketone propane, methyl ketone, dimethyl ketone, DMK, dimethyl carbonyl, propanone, 2-propanone, dimethyl formaldehyde, pyroacetic acid, pyroacetic ether, and pyroacetic spirit. Acetone is an isomer of the chemical formula C_3H_6O , with a specific molecular formula of CH_3COCH_3 or $(CH_3)_2CO$.

The scope covers both pure acetone (with or without impurities) and acetone that is combined or mixed with other products, including, but not limited to, isopropyl alcohol, benzene, diethyl ether, methanol, chloroform, and ethanol. Acetone that has been combined with other products is included within the scope, regardless of whether the combining occurs in third countries.

The scope also includes acetone that is commingled with acetone from sources not subject to this investigation.

For combined and commingled products, only the acetone component is covered by the scope of this investigation. However, when acetone is combined with acetone components from sources not subject to this investigation, those third country acetone components may still be subject to other acetone investigations.

Notwithstanding the foregoing language, an acetone combination or mixture that is transformed through a chemical reaction into another product, such that, for example, the acetone can no longer be separated from the other products through a distillation process (*e.g.*, methyl methacrylate (MMA) or Bisphenol A (BPA)), is excluded from this investigation.

A combination or mixture is excluded from these investigations if the total acetone component (regardless of the source or sources) comprises less than 5 percent of the combination or mixture, on a dry weight basis.

The Chemical Abstracts Service (CAS) registry number for acetone is 67-64-1.

The merchandise covered by this investigation is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2914.11.1000 and 2914.11.5000. Combinations or mixtures of acetone may enter under subheadings in Chapter 38 of the HTSUS, including, but not limited to, those under heading 3814.00.1000, 3814.00.2000, 3814.00.5010, and 3814.00.5090. The list of items found under these HTSUS subheadings is non-exhaustive. Although these HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Use of Facts Otherwise Available and Adverse Inferences
- V. Discussion of the Issues
 - Comment 1: Whether to Rely on Total AFA for SSA's Margin
- VI. All-Others Rate
- VII. Recommendation

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